

Republican Budget Exacerbates U.S. Inequality: Why a Progressive Alternative Is Essential

Written by Mike Honda
Thursday, 07 April 2011 12:17

Republicans say government is the source of our economic problems and the solution is to cut spending, cut taxes and cut retirement for seniors. Republicans use the specter of debt and deficit to justify this spin and, when pinning the blame, ignore the fact that the biggest debt increase in history occurred under President George W. Bush -- who [raised the debt](#) to \$10.7 trillion from \$5.727 trillion.

Our national debt and deficits need to be dealt with; the question is how. As a House Budget Committee member, I am troubled by the tack Republicans take under U.S. Rep. Paul Ryan's leadership. Ryan's 2012-20 budget essentially ends Medicare and Medicaid and starves education, research and development, transportation, clean energy and infrastructure programs.

Attempts to tackle the debt must address the fact that America faces unprecedented income inequality. We hardly have a middle class: Average household income for 90 percent of America is \$31,244. The bulk of America's growth over the past 30 years has gone to the top one-hundredth of one percent making an average of \$27 million per household.

This inequality is corrosive. Among the world's richest countries, America has the highest inequality and the worst rates of life expectancy, social mobility, violence, infant mortality, obesity, literacy, homicides, incarceration, teenage pregnancy, mental illness, and drug and alcohol addiction. This is unacceptable and unsustainable.

Ryan exacerbates these problems. In an attack on seniors, Ryan's plan, which the *Wall Street Journal* [reports](#)

would essentially end Medicare, increases costs for seniors and reduce benefits. According to the Congressional Budget Office, the plan reduces what each senior receives and forces seniors to face higher premiums in the private market for similar benefits.

Ryan's comparable blow to Medicaid reduces benefits and eligibility and results in serious repercussions for millions who rely on Medicaid for critical care. Ryan ridicules America's majority, who in recent polls said cuts to Medicare and Medicaid are unacceptable.

Republican Budget Exacerbates U.S. Inequality: Why a Progressive Alternative Is Essential

Written by Mike Honda

Thursday, 07 April 2011 12:17

In an attack on working families, Ryan protects America's wealthiest 2 percent and corporations by reducing their fair share of taxes. (One year of corporate giveaways and tax cuts for the wealthiest 2 percent equals \$185.2 billion, or three times what Republican 2011 budget cuts save.) Ryan allows U.S. multinationals to bring home \$1 trillion in profits at reduced tax rates. Billionaires and millionaires should be giving to charity, not receiving it.

We can defend the American dream, put America back to work, ensure fairness for working-class families and cut the debt and deficit, but Ryan's proposal fails on all counts.

I have been working with my Congressional Progressive Caucus colleagues, economists and tax policy experts to develop a budget that eliminates the deficit (which Ryan fails to do), puts America to work building a competitive economy, invests in our schools, brings the troops home, protects Social Security and represents a fair deal for working families.

America has stacked the deck against working people. Our budget reverses this trend while cutting \$1 trillion in waste. We make the tax code fair, asking wealthiest individuals, corporations hiding money overseas, oil companies raking in record profits and Wall Street banks that gambled away our money to pay their fair share.

We fix roads, bridges and waterways, we build a world-class, high-speed rail system and broadband, we end our addiction to oil and the endless wars that come with it, we meet our obligations to seniors, and we educate our children for the global workforce. Our budget does all this while eliminating the deficit and reducing debt burden. This is the America that lies within grasp, if we stop accepting the spin and start saving this country from itself.